

NATIONAL CANNERS ASSOCIATION INFORMATION LETTER

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CANNED FOODS IMPORTS FROM CANADA

Owing to the depreciation of Canadian currency following abandonment of the gold standard by Great Britain, canned foods from Canada have been finding their way to American markets in increasing quantities. The effect of the depreciated foreign currency is to nullify American tariffs because of the increased purchasing power of the American dollar in terms of the Canadian dollar.

When this situation developed it was immediately brought to the attention of canners through their state associations, and the National Canners Association made inquiries at the U. S. Treasury Department to ascertain whether the anti-dumping provision of the law was being violated. At the request of the Association, the Department of Commerce made an investigation of the situation in Canada to determine whether the canned foods in question were being sold in Canadian markets at higher prices than they were being offered to American importers.

Two conditions must be established in order to show that the anti-dumping law is being violated. It must be shown that the merchandise is offered for sale in the foreign country at a price below the open market price in the country of production. Second, that such practice injuriously affects the manufacturers of similar products in the country of importation. Unless both these conditions can be established, there is no valid ground for protest.

The Association was informed by the Department of Commerce that as a result of the investigation made in Canadian markets, it was shown that the same brands were being freely offered in Canadian markets at the same prices at which they were offered for export from Canada to the United States.

Under the existing laws, therefore, and with lack of evidence of dumping as that term is defined by the statutes, the only relief for the canning industry appears to be through new legislation. Under the Constitution fiscal legislation must originate in the House. Bills designed to correct the inequalities arising from depreciated foreign currencies are being prepared

by interested congressmen for immediate introduction in the House of Representatives.

One of the bills designed to meet the situation provides:

"That for the relief of American industry, production, and growth from the premium accruing to certain foreign countries because of depreciation of their currency from legal parity and/or because of said foreign countries changing their monetary standard the Secretary of the Treasury be, and he is hereby, authorized and directed to levy, collect, and pay upon all imports, whether dutiable or free of duty, a compensating charge exactly equal in amount to the difference in exchange between the United States and the country of origin of the import on the day of exportation.

"None of the provisions of this Act shall apply to any import which is not produced in the United States.

"By 'country' and 'foreign countries' is meant all foreign nations and any of their dominions and dependencies.

"For purpose of administering this Act the Secretary of the Treasury is authorized and directed to daily advise himself of the differential of foreign currency exchange."

CANNERS URGED TO REPORT STOCKS PROMPTLY

Canners who are cooperating in the quarterly surveys of stocks, conducted by the Foodstuffs Division of the Bureau of Foreign and Domestic Commerce have by this time received the schedules on which to report their stocks as of January 1st. If both canners and distributors are prompt in making their returns, the Foodstuffs Division should be able to issue its report before the date of the annual convention.

Any delay there may be in the compilation and issuance of the report will be due to the failure of canners and distributors to return the schedules promptly, because the Foodstuffs Division can complete its part of the work within a few days after the receipt of the schedules.

Every canner who has promised to take part in the survey is earnestly urged to get his report in at once.

TARIFF BILL REPORTED BY HOUSE COMMITTEE

The House Committee on Ways and Means has favorably reported, with several amendments, the bill (H. R. 6662) introduced by Chairman Collier to amend the Tariff Act of 1930.

The bill would change the powers of the Tariff Commission, giving it as well as the President, authority to initiate investigations. The Commission would report to the President and to Congress such increases or decreases in duties as the Commis-

ion finds to be necessary to equalize differences in the cost production in the United States and in foreign countries. The President would be authorized to transmit the Commission's report to Congress with his recommendations, but would not be given authority to proclaim changes in the rates of duty.

In ascertaining the differences in costs of production, the Commission is directed to take into consideration, in so far as it finds it practicable—

1. The differences in conditions of production, including wages, costs of materials, and other items in cost of production of like or similar articles in the United States and in competing foreign countries;

2. Costs of transportation;

3. Other costs including the cost of containers and coverings of whatever nature and other charges and expenses incident to placing the article in condition, packed ready for delivery, storage costs in the principal market or markets of the United States and of the principal competing country or countries, and costs of reconditioning or repacking wherever incurred;

4. Differences between the domestic and foreign article in packing and containers, and in condition in which received in the principal markets of the United States;

5. Differences in wholesale selling prices of domestic and foreign articles in the principal markets of the United States in so far as such prices are indicative of costs of production, provided such costs can not be satisfactorily obtained;

6. Advantages granted to a foreign producer by a foreign government or by a person, partnership, corporation, or association in a foreign country;

7. Any other advantages or disadvantages in competition which increase or decrease in a definitely determinable amount the total cost at which domestic or foreign articles may be delivered in the principal market or markets of the United States.

Costs of transportation shall be held to include, in so far as applicable:

1. Freight charges and all other charges incident to transportation, including transit insurance, costs of loading and unloading, and port charges and landing charges. These costs shall be computed to such principal market or markets of the United States as may most nearly insure equal competitive opportunity to domestic articles and like or similar foreign articles in the principal consuming region or regions of the United States. If this purpose may be best accomplished thereby, such costs on domestic articles and on like or similar foreign articles shall be computed to different principal markets of the United States.

2. In the case of an imported article, the cost of transporting such article from the areas of substantial production in the principal competing country to the principal port of importation of such article into the United States; and in the case of a domestic article, the cost of transporting such article from the areas of substantial production that can reasonably be expected to ship the article thereto, to the principal port of importation into the United States of the like or similar competitive article.

The bill also provides that all uncompleted investigations, including investigations in which the President has not proclaimed changes in classification or basis of value, or increases or decreases in rates of duty, shall be dismissed without prejudice,

but information and evidence secured by the Commission in such investigations may be given due consideration in any investigation under the provisions of the law as amended by the bill.

Provision is likewise made for a consumers' counsel, whose duty it shall be to appear before the Tariff Commission in the interest of the consuming public in any proceeding before the Commission.

The Tariff bill as reported provides for no changes in existing rates of duty.

DEFINITIONS FOR STRAINED TOMATO PRODUCTS PROPOSED

The Food Standards Committee has proposed new definitions and standards for strained tomato products and invites criticisms and suggestions on the proposed definitions from food officials, consumers, and the trade. Communications should be addressed to A. S. Mitchell, Secretary, Food Standards Committee, Federal Food and Drug Administration, Washington, D. C.

The proposed definitions are as follows:

STRAINED TOMATO is the unconcentrated product consisting of the entire pulp and liquid, exclusive of skins, seeds and cores, obtained from ripe tomatoes with or without the application of heat; and with or without the addition of salt. It is packed in hermetically sealed containers and processed by heat.

TOMATO PUREE, TOMATO PULP, is the product resulting from the concentration of the entire fleshy and liquid portions of ripe tomatoes, exclusive of skins, seeds and cores, with or without the addition of salt. The finished product contains not less than 8.37 per cent of tomato solids.

TOMATO SAUCE, "SALSA," is the product resulting from the concentration of the entire fleshy and liquid portions of ripe tomatoes, exclusive of skins, seeds and cores, with or without the addition of salt, and with or without the addition of basil and/or other seasoning. The finished product contains not less than 16 per cent of tomato solids.

TOMATO PASTE, "PASTA," is the product resulting from the concentration of the entire fleshy and liquid portions of ripe tomatoes, exclusive of skins, seeds and cores, with or without the addition of salt, and with or without the addition of basil and/or other seasoning. The finished product contains not less than 22.0 per cent of tomato solids.

HEAVY TOMATO PASTE, CONCENTRATED TOMATO PASTE, "CONCENTRATO," is tomato paste containing not less than 35.0 per cent of tomato solids.

(Concentrated tomato products are commonly packed in hermetically sealed containers and processed by heat.)

THE 1931 TOMATO PACK

With last week's letter was mailed a mimeograph statement of the tomato pack. The figures are reproduced below, so that they will be available in permanent form for those who keep files of the Information Letter.

PACK BY STATES

State	Basis No. 3's		All Sizes	
	1930 Cases	1931 Cases	1930 Cases	1931 Cases
Arkansas	*1,050,177	761,091	*1,703,928	1,187,120
California	3,460,162	863,928	4,441,104	1,012,021
Colorado	292,553	226,551	402,363	304,079
Delaware	754,864	340,367	1,010,247	485,313
Illinois	222,071	213,607	310,287	311,794
Indiana	2,028,943	1,191,599	2,816,900	1,732,740
Iowa	113,781	166,988	170,592	259,920
Kentucky	161,108	160,776	241,509	252,568
Maryland	3,700,564	1,700,558	5,715,019	2,041,391
Michigan	110,898	147,052	143,964	192,551
Missouri	*1,078,208	518,573	*1,094,701	833,345
New Jersey	355,598	143,714	448,904	182,447
New York	466,681	490,858	648,793	671,390
Ohio	428,976	304,020	586,682	422,202
Oklahoma	41,808	56,664	70,457	95,953
Pennsylvania	150,680	159,513	223,155	245,748
South Carolina	37,884	25,957	62,925	42,615
Tennessee	518,327	313,733	828,129	519,202
Texas	73,105	18,187	105,524	28,064
Utah	788,300	1,027,531	1,004,830	1,253,206
Virginia	818,494	507,742	1,200,268	822,182
Others	274,708	218,626	427,744	319,607
Totals	16,997,799	9,573,025	24,267,744	13,816,066

* Collected by Ozark Packing Corporation.

PACK BY SIZES OF CONTAINERS

Size	Number to case	Actual number of cases	
		1930	1931
No. 1 E. O.	48 }	1,706,156	{ 413,442
No. 1 Const	48 }		{ 188,135
No. 303	36	421,424	126,802
No. 2	24	12,387,864	8,314,141
No. 2 1/2	24	4,411,676	2,406,300
No. 3	24	1,934,750	778,778
No. 10	6	3,131,989	1,495,745
Miscellaneous		273,885	93,223
Total		24,267,744	13,816,066

NEW YEAR TRUCK MOVEMENT IS HEAVY

The most impressive feature of the produce situation at the opening of 1932 was the great increase in carlot movement of most fruits and vegetables. Combined forwardings of 27 leading products totaled 12,440 cars for the week ended January 2nd, compared with 8,250 during Christmas week and 14,655 cars for the corresponding period last season.

Arrivals of green peas from Mexico have been fully 50 per cent heavier than to the same time last winter and increased during the past week to 140 cars. Florida snap-bean shipments reached practically 300 cars, or nine times as many as during the opening days of 1931. Strawberry movement from Florida totaled 60 cars, as against 12 a year ago.

Output of Texas spinach reached 360 cars for the week and Virginia increased to 50 cars. Total movement was 50 per cent greater than that of the week before.

Florida tomato movement increased to 95 cars; about 50 arrived from Cuba, and 70 from Mexico. Total imports of tomatoes so far this winter have been only one-third as heavy as during the early part of last season.

CARLOT SHIPMENTS

Commodity	Dec. 27 1931-Jan. 2, 1932	Dec. 1931 20-26	Dec. 28 1930-Jan. 3, 1931	Total this sea- son thru Jan. 2	Total last sea- son thru Jan. 3	Total last season
Apples, total	1,534	908	1,470	70,502	83,453	100,794
Western states	907	600	955	30,406	48,828	66,538
Eastern states	627	359	521	40,096	34,625	48,256
Beans, snap and lima:						
Domestic	295	254	32	3,149	1,593	9,316
Imports	21	25	2	135	3	199
Beets	38	14	12	205	12	1,649
Cabbage:						
1932 season	410	110	341	1,029	925	35,101
1931 season	380	168	494	35,101	34,905	38,204
Carrots:						
1932 season	100	57	104	1,447	1,978	10,390
1931 season	70	51	46	10,390	11,105	12,437
Cauliflower	461	325	193	4,652	4,629	9,611
Mixed vegetables:						
1932 season	164	0	220	164	220	28,311
1931 season	442	370	300	28,311	31,180	31,180
Imports	0	11	3	30	37	267
Pears	62	36	62	18,878	27,042	28,821
Peas, green:						
Domestic	0	2	0	320	930	7,162
Imports	142	97	70	303	191	1,344
Peppers:						
Domestic	76	30	53	476	513	2,822
Imports	5	0	7	5	18	172
Spinach	411	204	390	1,436	2,349	9,771
Tomatoes:						
1932 season	96	86	106	371	580	27,819
Imports	123	117	167	350	1,042	5,975
1931 season	2	5	11	27,819	34,044	34,053

CAR LOADINGS

Complete reports for the year show that 37,272,371 cars were loaded with revenue freight in 1931. This was a reduction of 8,605,603 cars, or 18.8 per cent, under the number loaded in 1930 and a reduction of 15,555,554 cars, or 29.4 per cent, under 1929.

Total loadings by commodities in 1930 and 1931 follow:

	1931	1930
Grain and grain products	2,030,770	2,205,400
Live stock	1,165,404	1,285,153
Coal	6,531,428	7,927,085
Coke	327,402	487,841
Forest products	1,483,312	2,309,310
Ore	877,105	1,961,559
Merchandise less-than-carload lot freight	10,865,989	12,200,534
Miscellaneous	13,891,792	17,981,033

For the week ended on December 26th, loadings were as follows:

	Total	Miscellaneous	Merchandise L. C. L.	Other
Week ended December 26	441,589	145,887	150,441	145,261
Previous week	581,733	192,801	191,742	197,190
Corresponding week, 1930	536,292	175,198	196,731	194,363
Corresponding week, 1929	630,389	222,190	187,249	220,941

BUSINESS INDICATORS

(Weeks ended Saturday; weekly average 1923-1925=100)

	1932		1931		1930	
	Jan. 2	Dec. 26	Dec. 19	Jan. 3	Dec. 27	Jan. 4
Composite Index:*						
New York Times		62.1	63.1	77.0	78.9	79.4
Business Week		64.4	†63.9	78.5	77.3	77.5
Freight car loadings		46.1	60.7	64.2	†55.0	74.5
Wholesale prices (Fisher's):						
All commodities	66.3	66.7	67.0	78.5	79.0	79.4
Agricultural products	50.0	50.5	50.7	73.8	74.8	79.4
Non-agricultural products	68.8	69.1	69.4	79.5	79.3	80.0
Bank debits outside N. Y. City	72.7	88.7	87.2	116.2	106.0	119.3
Bond prices	85.8	85.8	83.9	106.3	105.2	104.2
Stock prices	73.7	75.4	74.7	150.2	146.4	148.4
Interest rates:						
Call money	80.0	75.9	60.6	80.0	48.5	58.7
Time money	84.6	80.0	80.0	68.0	68.0	68.0
Business failures	150.4	138.3	163.9	133.2	112.0	148.4

* Relative to a computed normal taken as 100.

† Revised.

FORECAST OF CANNED FOODS MOVEMENT

Shippers of the country, through estimates of the Shippers' Regional Advisory Boards, anticipate that carload shipments of the 29 principal commodities in the first quarter of 1932 (months of January, February and March), will be approximately 5,241,746 cars, a reduction of 370,415 cars, or 6.6 per cent, below the corresponding period in 1931.

Shipments of canned products, including catsup, jams, jellies, olives, pickles, preserves, etc., during the months of January, February and March are estimated at 43,078 cars, a decrease of 6 per cent from the carloadings of the same period last year, which totaled 45,815.

COMPOSITION OF FRESH FRUITS

The U. S. Department of Agriculture has issued a revised edition of its circular No. 50, entitled "Proximate Composition of Fresh Fruits." The last previous revision was made in 1928. The latest revision includes most of the figures represented in the earlier editions, to which have been added data from a number of sources, both published and unpublished. The figures are intended to represent the composition of the fruits as they are eaten, data from analyses of normally ripened and market fruits having been combined. Analyses are also given of fruit juices.

The fruits are grouped in various ways, for the most part according to species. The data on some fruits were not sufficient to permit of distinction within the genus. In the case of others, the data lent themselves to varietal, type, or geographic classification. Such groupings were used if it appeared that the differences between groups were significant.

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